C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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AGENDA

The next meeting of the <u>Legislative Committee</u> will be as follows.

PLEASE NOTE THAT WE WILL BE MEETING AT \$5:00 P.M.

in the 2nd Floor Auditorium !!

Date:

Thursday, June 8, 2006 - 5:00 p.m. to

7:00 p.m. Dinner will be served.

Place:

San Mateo County Transit District Office¹

1250 San Carlos Avenue

<u>2nd Floor Auditorium</u> San Carlos, California

PLEASE CALL WALTER MARTONE (599-1465) IF YOU ARE UNABLE TO ATTEND.

1. Public comment on items not on the

Presentations

5:00 p.m.

agenda.

are limited to 3

5 minutes.

minutes.

2. Approval of minutes from May 11, 2006.

Action (Martone)

Pages 1-3

5:05 p.m. 5 minutes

3. Briefing on Eminent Domain

Presentation by

Pages 5-12

5:10 p.m. 30 minutes

Juliet Cox from Goldfarb and

Goldraid al

Lipman

4. Briefing from C/CAG's Lobbyist in

Sacramento (in person).

Potential Action (Wes Lujan)

5:40 p.m. 30 minutes

A position may be taken on any legislation, including legislation not previously identified.

¹From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

For public transit access use SamTrans Bus lines 390, 391, 292, KX, PX, RX, or take CalTrain to the San Carlos Station and walk two blocks up San Carlos Avenue.

5.	Review and approval of the Monthly Update on Pending Legislation.	Action (Martone)	Pages 13-30	6:10 p.m. 5 minutes
6.	Consideration of positions on various bills: a) SB 1059 - Transmission Line Corridors - Remove Opposition b) Telecommunications Reform i) S 2686 - national franchise system -Oppose ii) HR 5417 protect an open Internet - Support iii) Senator McCain bill to cut franchise fees - Oppose iv) AB 2987 - continues to by-pass local franchising requirements - Continue Opposition v) SB 1627 - require administrative approval of wireless facilities - Oppose c) SB 1225 - increase the Vehicle Registration Fee for the Abandoned Vehicle Abatement (AVA) Program - AVA Manager recommends Support	Action (Martone)	Pages 31-74	6:15 p.m. 35 minutes
7.	Establish date and time for next meeting (July 13, 2006).	Action (Gordon)		6:50 p.m. 5 minutes
8.	Other Items/Comments from Guests.	Potential Action (Gordon)		6:55 p.m. 5 minutes
9.	Adjournment.	Action (Gordon)		7:00 p.m.

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

Other enclosures/Correspondence

None

CITY/COUNTY ASSOCIATION OF GOVERNMENTS LEGISLATIVE COMMITTEE

MINUTES MEETING OF MAY 11, 2006

At 5:10 p.m. Chairwoman Deborah Gordon called the meeting to order in the Second Floor Auditorium at the San Mateo Transit District Office.

Members Attending: Judith Christensen, Chairwoman Deborah Gordon, Marc Hershman, Linda Koelling, Rosalie O'Mahony, and Irene O'Connell.

Staff/ Guests Attending: Mary McMillan (County Manager's Office), Richard Napier (C/CAG Executive Director), Brian Moura (Assistant City Manager – San Carlos), Walter Martone (C/CAG Staff), Jessica Sanfill (Assemblyman Mullin's Office), Duane Bay (County Housing Director, Sepi Richardson (C/CAG Member – City of Brisbane), Jerry Grace (Citizen), and Wes Lujan – by conference call (Advocation).

1. Public comment on items not on the agenda.

None.

2. Approval of minutes from April 13, 2006.

Motion: To approve the minutes as presented. O'Connell/Koelling, 4 ayes and 1 abstention.

3. Briefing from C/CAG's Lobbyist in Sacramento (via conference call).

Wes Lujan reported:

- a) The Democratic Party has endorsed Treasurer Phil Angelides.
- b) Treasurer Phil Angelides And State Controller Steve Westly are currently tied in the polls.
- c) Governor Schwarzenegger's campaign is anticipating that 4.1 million votes will be needed by the Governor to win reelection.
- d) The May Revise recently released, shows that revenues are up by at least \$3.2 billion and are expected to grow as high as \$5 billion.
- e) Legislators and the Governor's Office are expecting that the budget will be resolved quickly this year due to the increased revenue.
- f) A library bond has qualified for the November 2006 election.
- g) The High Speed Rail bond will likely be postponed. There is concern over the interest rate cap and bonding limit that the State is reaching. This may mean that the rail bond will be put off indefinitely. There still appears to be support for high-speed rail in the Bay Area and the Central Valley.
- h) Senator Kuehl is considering introducing a bill for a Maglev rail demonstration project in Southern California.
- i) The Infrastructure Bond for the November 2006 election included a \$2 billion allocation to be split half with the cities and half with the counties. It also included a \$400,000 minimum allocation to these jurisdictions. It is expected that this item will attract more

- voters in support of the bond. Originally the allocation was only going to the cities, and the Republicans lobbied to make sure that the counties were included.
- j) There will likely be many trailer bills to the budget that will provide details on how the bond monies will be distributed if passed by the voters.
- k) The California Transportation Commission will play a key role in determining how the transportation funds under the bond are allocated, particularly for projects that have Statewide significance.
- 1) In general, the outcome of the negotiations on the bond has turned out to be favorable to San Mateo County jurisdictions.
- m) Movement on ACA 13, to exempt stormwater and flood prevention programs from the voting requirements of Proposition 213, has stalled. The bond does include \$300 million to support stormwater and flood management efforts. The League of CA Cities is still in negotiations with the various taxpayer groups to determine if a compromise in ACA 13 can be reached. The Administration and the State Department of Water Resources are also continuing to show interest in developing a consensus on this bill.
- n) There is only one Initiative on eminent domain that has funding to put forth a campaign to secure the needed signatures. It is sponsored by Anita Anderson and has funding from someone located in New York who also provided funding to the Initiative to establish term limits in California. Some in the Legislature fear that if the Anderson Initiative qualifies, it may have a chance of passing with the voters. Therefore there is significant interest in developing a compromise through the legislative process to make the Initiative unnecessary. The compromise will likely provide certain protections for residential properties. The building industry appears to be staying neutral. Member Christensen noted that much of the property that has been taken through eminent domain has been apartment buildings and small commercial properties.
- o) Wes testified on behalf of C/CAG in opposition to House Speaker Nunez's telecommunication reform bill. The hearing was very lively and many of the Committee members criticized the bill. The League is continuing to negotiate with Speaker Nunez to develop a compromise that local governments can live with.
 - There are a number of housing bills that are all being held in the Senate Transportation and Housing Committee. It is likely that a conference committee will be created to combine all of these proposals into a comprehensive package that represents a compromise for the interested parties.

4. Review and approval of Legislative Update.

There were no comments on this item.

5. Consideration of positions on various bills:

- a) Eminent domain Bills:
 - 7. SB 1206
 - 8. SB 1210
 - 9. AB 1162

There was general agreement that this issue requires more education and that the Committee would welcome having an unbiased speaker knowledgeable in this subject matter. Staff will work with County Housing Director Duane Bay to locate an appropriate speaker for the June meeting.

b) Transportation Planning Funds – AB 2538.

Motion: To recommend a "support" position to the C/CAG Board. Hershman/O'Mahony, unanimous.

c) Affordable Housing – AB 2503.

Staff noted that the Housing Endowment and Trust (HEART) program and the County are requesting an amendment to this bill to ensure that there is full funding participation under ERAF. It was also noted that the issue of providing Regional Housing Needs Allocation (RHNA) credit for these contributions are not addressed in the bill. This is likely due to past objections raised by the Western Center on Law and Poverty.

Motion: To recommend a "support with amendments" position to the C/CAG Board. The amendments are to ensure that the ERAF match for contributions to a housing trust fund come from "baseline" ERAF and not "excess" ERAF. Hershman/O'Mahony, unanimous.

d) Caltrans assuming NEPA responsibilities – SB 1812.

Motion: To recommend a "support" position to the C/CAG Board. O'Mahony/Koelling, unanimous.

- 6. Establish date and time for next meeting (June 8, 2006 at 5:00 p.m.).
- 7. Other items/Comments from Guests.

None.

8. Adjournment.

The meeting was adjourned at 6:32 p.m.

C/CAG AGENDA REPORT

Date:

June 8, 2006

To:

C/CAG Legislative Committee

From:

Walter Martone

Subject:

BRIEFING ON EMINENT DOMAIN

A position may be taken on any legislation, including legislation not previously

identified.

(For further information contact Walter Martone at 599-1465 or Richard Napier at 599-1420)

RECOMMENDATION

That the Legislative Committee receive a presentation from Juliet Cox from Goldfarb and Lipman on the topic of eminent domain.

FISCAL IMPACT

Unknown.

SOURCE OF FUNDS

Not applicable.

BACKGROUND/DISCUSSION

At the May 11th Legislative Committee meeting, staff was requested to work with San Mateo County Housing Director Duane Bay to arrange for an unbiased informational presentation about the topic of Eminent Domain. Duane put C/CAG Staff in contact with Juliet Cox from the Firm of Goldfarb and Lipman. Ms. Cox recently provided a well-received briefing on this topic to the Association of Bay Area Governments.

Legislative Committee Member Judith Christensen will not be able to attend the June 8th Committee meeting; however she has provided some informational materials on this topic to be included in your meeting packet.

ATTACHMENTS

Materials provided by Legislative Committee Member Judith Christensen titled: Eminent Domain 101 – A Primer

Limit Eminent Domain

The People's Initiative

P.O. Box 90220, San Jose, CA 95109 Phone 408-882-5008 Fax 408-516-8035 www.LimitEminentDomain.org



Billboard at Hwy 101 near Marsh Road, Redwood City

Note: This paper is written as a general overview for the public, some who may be quite familiar with eminent domain and others who have only heard about it in the news.

EMINENT DOMAIN 101 – A PRIMER

What is eminent domain?

There are two kinds of eminent domain you should know about.

- 1) There is the commonly known use of eminent domain as the power of government to seize private property by force for essential public uses such as schools, fire stations, roads, and to eliminate threats to public health and safety. All cities, whether or not they have a redevelopment agency, have eminent domain powers. The frequent examples of the problem "crack house" or the need for infrastructure as the reason we need redevelopment eminent domain are misleading cities have the power to use eminent domain for public uses and health and safety violations without redevelopment. We accept the necessity that legitimate public uses may occasionally take precedence over our private property rights.
- 2) There is another use of eminent domain that threatens every person in California and throughout the nation. In California, as in many other states, our homes, businesses and places of worship can be seized by a Redevelopment Agency and turned over to another private entity for their financial gain. Since 1954 the U.S. Supreme Court has allowed expansion of the meaning of redevelopment public use to include economic development.

What is the Kelo vs. New London Supreme Court Case and why is it important?

This past summer, the Kelo Supreme Court case was the first review of eminent domain powers in over 50 years. The Fifth Amendment prohibits the taking of property by government except for "public use." The Supreme Court confirmed by a 5-4 decision that they would leave it to individual states to decide whether or not economic development is a public use. Most people thought that eminent domain could only be used for a legitimate public use like a school or fire station. The Kelo decision confirmed a practice of abuse that has been happening all over California and the nation for decades. To understand how public use could become so distorted, we need to look back in time to the post World War II federal urban renewal programs created to improve housing in urban slums that had been abandoned by absentee landlords. Overtime, these redevelopment programs expanded to focus on modernizing decaying downtown areas and developing municipal facilities.

In 1952 California law gave cities the power to create a separate government agency know as a Redevelopment Agency (RDA) to revitalize urban areas. Nearly 400 cities in California now have RDAs and all are legally empowered to use eminent domain, but only 40% have decided to establish eminent domain powers within their local redevelopment agencies. States all over the nation created RDAs and it didn't take long for good intentions to go awry as developers and large corporations realized vast opportunities to make private profit.

This led to one of the most notorious eminent abuse cases in the nation, the destruction of the working class neighborhood of Poletown in Detroit, Michigan. More than 1,000 homes, 600 businesses, and many churches were seized by redevelopment eminent domain to build a General Motors Plant. In Washington, D.C. another notorious abuse of eminent domain occurred. Entire neighborhoods of predominantly low-income African Americans were displaced for upscale privately owned developments. In the Bay Area, the destruction of the traditionally African-American neighborhood in the Fillmore District of San Francisco has become famous as an example of the misuse of eminent domain for displacement.

In 1999 the City of New London, Connecticut moved to seize 90 acres in the working class neighborhood of Fort Trumbull by eminent domain for a luxury waterfront development of offices, condominiums and a four-star hotel with river views. Nearly 80 mostly elderly property owners gave up their homes, but the remaining seven put up signs "This house not for sale" and fought eminent domain seizures all the way to the Supreme Court. School teacher Suzette Kelo had turned a rundown pink Victorian into her dream home and she is the "Kelo" in the Supreme Court case of Kelo vs. New London.

Although accurate and complete records are almost impossible to find, the Castle Coalition at the Institute on Justice is compiling a growing nationwide list that documents over 10,000 property seizures for private uses in just the past five years. See their website at www.castlecoalition.org The Institute on Justice represented Suzette Kelo and her neighbors in the Supreme Court case.

Can my home or business in California be taken by eminent domain?

Yes. What happened to Suzette Kelo can happen in California. When you hear legislators or spokespersons for the California Redevelopment Association say "What happened in New London, Connecticut can't happen in California," you are being purposely mislead. In California property must be declared "blighted" in order for a redevelopment agency to use the power of eminent domain. Section 33030-33039 of the California Health and Safety Code defines conditions that determine redevelopment "blight." These conditions include small parcel size, multiple ownership of properties, incompatible uses with adjacent or nearby properties, and economic under-utilization. All properties within a redevelopment project area, including new and well-maintained buildings, are blighted by legal definition. In some instances new housing tracts, vital local businesses, and even open space have been declared blighted because they were deemed economically underutilized. What wouldn't be underutilized compared to a high-rise development? "Public use" can be almost anything the

Redevelopment Directors decide to do. City governments can become the purchasing agent for a large parcel land grab for big business. If a property owner disputes the determination of blight or the so-called "fair market price" offered by the Redevelopment Agency, they must fight a court battle with the city. Less than 1% of eminent domain cases are successfully fought in California courts. So after jumping through a few California legal hoops the exact Kelo situation of private property being seized for private profit has happened and continues to happen all over California and the Bay Area.

Is it true that cities rarely use eminent domain powers?

The California Redevelopment Association claims that only a few homes have been seized by eminent domain in California. What they really mean is that there are very few instances where eminent domain is challenged in the courts and ends in a jury decision. Eminent domain is most often used to threaten small, local businesses. The mere threat of eminent domain is like a brandished gun, you don't have to fire it to coerce. Most abuse of eminent domain power is coercion – people give up and take whatever the city will offer rather than risk a costly court case they can't afford and are unlikely to win. When cities claim "we've only used eminent domain in rare cases," what they often mean is the threat was enough and they didn't have to complete a property seizure through the courts. Ask them how many times they have begun the process by threatening the powers of eminent domain.

There are legislative efforts now in California to declare all areas around transit corridors blighted by the mere fact that they are not high density. The largest stock of existing affordable housing is owned or rented by working class people, often in lower-income older parts of town near transit corridors targeted by redevelopment and eminent domain.

Legislators and elected officials who are still promoting the expansion of eminent domain powers should know that a California Democratic Party resolution passed in early 2006 states, "seniors, working class families, people of color, and recent immigrants are most vulnerable to economic exploitation through the abuse of eminent domain powers...and the power of eminent domain shall not be used for economic development...to increase tax revenue, or for any economic purpose." This commitment to limit the use of eminent domain to pure public uses is echoed in the 2006 California State Democratic Platform. This resolution was brought to the State Democratic Party by San Mateo County Democrats, including the San Mateo County Democratic Central Committee. The California Republican Party also passed an eminent domain reform resolution.

Isn't it true that the community decides if they want redevelopment and the powers of eminent domain?

The public never gets to vote on whether a redevelopment project area is formed, expanded, or whether eminent domain is used. In California it usually takes about a year of public meetings before an RDA can be established. Public input is "advisory only," and its common practice for City Council members to appoint themselves to serve in the dual role of Redevelopment

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Directors. If the public wants to challenge this process, they must do so through the difficult referendum or initiative process to put it on the ballot.

Powerful land developers lobbied in Sacramento to create our redevelopment laws. They use their political and financial clout, including campaign contributions, to oppose reforms. Our redevelopment laws would shock anyone with the time and patience to read through over 800 pages of the Health and Safety Code. You would discover a shocking lack of conflict of interest protections and required public notice. For instance, RDAs do not even have to mail notices to people within a project area if they decide it's too expensive. [33349(b)(2) & 33452 (2)] Redevelopment Directors can take financial contributions from developers whose projects they review.

Don't we need eminent domain powers for urban revitalization, new housing and jobs?

Since the founding of this country, free enterprise has successfully provided economic development through negotiations in the marketplace between willing buyer and willing seller. New jobs and housing are created without the misuse of eminent domain powers. Currently in California, 40% of the Redevelopment Agencies throughout the state opted out of having eminent domain powers. The history of eminent domain abuse in this country has left a trail of failures. Redevelopment in many urban areas, like San Francisco's Fillmore District, displaced the traditional ethnic community and left urban cores bulldozed wastelands for decades. Small locally-owned businesses, which provide the vast majority of jobs, are the main target of eminent domain. They are often displaced by national and international corporate chains that drain profits away from the local economy and often do not provide living wages and benefits. Both the homes and livelihoods of Californians equally deserve our protection.

In the California legislature there have been attempts to "divide and conquer" opponents to eminent domain abuse by protecting only single-family, owner-occupied homes. These homeowners are protected, while renters, those who provide rental housing and local businesses are sacrificed. At a conference in Monterey last March, the League of Cities sponsored a proeminent domain workshop where John Shirey, Director of the California Redevelopment Association, commented that redevelopment advocates would have to "swallow bitter medicine" if an eminent domain reform initiative made it to the ballot. He suggested they may have to sponsor their own legislation with minimal concessions to appease public opinion.

Don't we need redevelopment eminent domain to solve our housing crisis?

An argument that is promoted by developers and some housing advocates is that we need redevelopment for our housing needs. We do have a housing crisis, but nearly all of the new housing that is being produced is geared for new people coming to the area who have the professional skills and higher income to match rising housing costs. One housing crisis is the lack of truly affordable housing for the working class families who are being priced out of the area, and another very different crisis for the higher-income, highly educated new economy

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workforce that large Bay Area Corporations are recruiting from around the country and internationally.

- 1) "Workforce" housing for the new economy: The May 16th Examiner editorial candidly explains the housing needs of this privileged group: "Bay Area business success is driven by industries based on knowledge and innovation, such as high-tech, biotech, medical research and financial services. In order for the kind of people who spark this economy to continue coming and remaining, it is necessary to deliver an attractive quality of life." Most new housing in redevelopment areas is market rate to match the higher incomes of these new economy workers. Even the required "affordable" housing in a new Redevelopment Area project is priced way above the median income of most of our cities. A family of four can earn up to \$114,000 per year and still qualify for an affordable unit.
- 2) Truly affordable housing: Our existing working class families are priced out of the market and retreating to ever distant and ever expanding sprawl areas. Tim Redmond, Editor of the *SF Bay Guardian*, has responded to the flight of working class families and the collapsing public school population by calling for a moratorium on market rate housing in San Francisco.

Housing advocates like the San Mateo County Housing Leadership Council still promote the myth that any housing, even market rate and luxury, will eventually lower housing costs by supply and demand. Over a third of the board members of HLC represent the profit side of real estate. Clearly increasing the supply of market rate and luxury housing in the Bay area will not lower housing costs over time. In the Bay Area we are dealing with a global demand for housing. Taking our few remaining vacant parcels for market rate and luxury housing and using eminent domain to remove lower cost homes and rentals promotes gentrification, displacement, a loss of economic and cultural diversity, and accelerates sprawl. This vision for transforming the Bay Area into a new economy Mecca is based on displacing traditional working class families and small local businesses to make room for this elite workforce. It's unlikely that corporations will invest in educating or retraining working class people for high-tech jobs when highly educated, non-union workers can be recruited from around the world to replace them.

In the last few years there has been a lot of profit in housing. When the market shifts to greater profit in office buildings or hotels, the focus on housing by the building lobby will also shift to whichever area provides the highest margin of profit.

By law, 20% of all redevelopment funds must be spent on "low cost" housing, but only 3% is actually being spent on housing (figures from the State Controllers Office, Community Redevelopment Agencies Annual Report 2002-2003, pg. 253). Many agencies find creative ways to shift housing money into commercial mixed-use and other uses. Of the 3% which is spent for housing, 12% is eaten by administrative overhead and only 18% actually goes toward new housing construction. The lack of enforcement of the housing set-aside points up another problem – the general lack of statewide oversight and enforcement of redevelopment law. If

they can't enforce the affordable housing set-aside, it's unlikely that other parts of the law are enforced to adequately relocate people and businesses displaced by eminent domain.

Don't we need redevelopment and eminent domain to increase taxes?

A common argument for the use of eminent domain is for higher economic utilization that will increase the local tax base. There are two kinds of taxes you should consider. While new commercial developments may bring in more sales tax, they divert property taxes that would support the general funds of cities for services and maintenance, the two larges items in any city budget. In a redevelopment area a somewhat larger share of property tax is retained than would otherwise go to the State, but these taxes do not go to the city's general fund. The city's share of property taxes is frozen at the date of the establishment of a redevelopment area. All increased property taxes (tax increment) go to the redevelopment agency for capital improvements, administration, the affordable housing set-aside, and developer's assistance. Redevelopment funds cannot be spent on services, salaries, or maintenance. Many RDAs owe a huge debt to the city's general fund which goes unpaid for many years while city services suffer for lack of funds. In many areas public subsidies go to big-box retailers in a bidding war between cities to attract sales tax revenues. When all is said and done, the community is often the loser in this high-stakes gambling with public funds.

What's happening with redevelopment reform in California?

The essence of the problem is the use of eminent domain for private, economic development. In California, the designation of blight for economic underutilization opens the door for abuse and a corporate land-grab. An all-volunteer, bi-partisan California reform movement put forth a single-issue initiative that places reasonable limits on the power of eminent domain. The Limit Eminent Domain Initiative (Initiative #1198) simply says "no eminent domain for private gain." This initiative is based on The Private Property Rights Protection Act (H.R. 4128) that passed the U.S. House of Representatives last November by a wide bipartisan majority. H.R. 4128 would discontinue certain federal funding where eminent domain powers are used for economic development rather than strictly limited to public uses. The language of the Limit Eminent Domain Initiative is based on H.R. 4128 and its clear definitions of public and economic uses. We were unable to gather enough signatures to make it to the ballot for November '06, but we are continuing to gather signatures for the next general election. Unfortunately, the wrong eminent domain reform initiative, the Anderson "Protect Our Homes" initiative financed by an out-of-state millionaire, has made it to the ballot. This initiative goes beyond eminent domain reform to limit all kinds of regulatory takings that could include rent control and environmental regulations. Do the problems with the Anderson initiative invalidate the need for serious eminent domain reform in California? Most certainly not!

No amount of legislative "tweaking" can make eminent domain for economic development justifiable. Postponing the use of eminent domain is just an excuse to wait-out the current uproar, hoping that public opposition will die down over time. Limiting eminent domain to businesses and excluding single-family, owner occupied homes is another attempt to appease

public outrage without ending the abuse. Nothing short of limiting the use of eminent domain to strict public uses and ending its use for private gain will satisfy the need for true reform. 40%* of California Redevelopment Agencies have decided against even having eminent domain powers. We can promote economic growth, protect local businesses and existing communities, and promote truly affordable housing without eminent domain abuse.

*Statistic from the California Redevelopment Association

Should this be happening in a democratic society?

The Kelo Supreme Court decision shakes us to the very core of our faith in an economic system and government that rewards hard work and playing by the rules. In her scathing dissent, Supreme Court Justice Sandra Day O'Connors says: "The specter of condemnation hangs over all property. Nothing is to prevent the State from replacing any Motel 6 with a Ritz-Carlton, any home with a shopping mall, or any farm with a factory." Revitalization can have a pretty hollow ring in a country that sacrifices the homes and livelihoods of the weak for the benefit of the powerful and well connected. If Suzette Kelo's house is not safe from this arbitrary seizure for corporate profit, no home, business, or place of worship is safe. Susette Kelo's testimony to the Supreme Court was eloquent in its simplicity: "Special interests — who benefit from this use of government power — are working to convince the public and legislatures that there isn't a problem, but I am living proof that there is. This battle against eminent domain abuse may have started as a way to save my little pink cottage, but it has rightfully grown into something much larger — the fight to restore the American Dream and the sacredness and security of each one of our homes."

Government sanctioned displacement and economic exploitation do not belong in a democratic society. A democracy is based on equal protection under the law, not sacrificing the rights of one group to benefit another group. Public uses such as roads and schools benefit everyone and cannot be compared to some abstract concept of a greater good through increased tax revenue or economic development provided by luxury hotels and condominiums, or corporate office towers that provide profit and benefits to a particular sector of society. Without the freedom to acquire, possess, and defend property, all other guaranteed rights are meaningless. Thomas Jefferson wrote that the true foundation of government "is the equal right of every citizen in his person and property." Supreme Court Chief Justice John Marshall wrote "the right of acquiring and possessing property and having it protected is one of the natural, inherent and inalienable rights of man."

Neighbors for Responsible Redevelopment, P.O. Box 2703, Daly City, CA 94017-2703 – a proud sponsor of the California Limit Eminent Domain Initiative

For more information on all aspects of redevelopment, visit <u>www.redevelopment.com</u>, the website of Municipal Officials for Redevelopment Reform (MORR). You can download a copy of "Redevelopment: The Unknown Government."

C/CAG AGENDA REPORT

Date:

June 8, 2006

To:

C/CAG Legislative Committee

From:

Walter Martone

Subject:

REVIEW AND APPROVAL OF THE MONTHLY UPDATE REPORT ON

PENDING LEGISLATION

A position may be taken on any legislation, including legislation not previously

identified.

(For further information contact Walter Martone at 599-1465 or Richard Napier at 599-1420)

RECOMMENDATION

That the Legislative Committee approve the attached monthly update report on pending legislation.

FISCAL IMPACT

Not applicable.

SOURCE OF FUNDS

Not applicable.

BACKGROUND/DISCUSSION

Attached is a list of the bills that appear to be most related to the legislative priorities established by the C/CAG Board. C/CAG staff is also be tracking approximately 135 other bills that have subject matter consistent with C/CAG's legislative priorities. June 2, 2006 is the last day for bills to be passed out of the house of origin; therefore many of the bills on these lists will likely become dead after that date.

ATTACHMENTS

• Action Report With Summary By Subject.

C/CAG Priority 1 Bills

Bills to take a position on

Budget

ACA 1

(Calderon) Two-Year Budget.

1-12/06/2004

Status:

04/14/2005 - ASM APPR. Referred to Coms. on BUDGET and APPR. Calendar.

Sum mary

The California Constitution requires that a budget be submitted by the Governor, and that a Budget Bill be passed by the Legislature, for each fiscal year . This measure would express the intent of the Legislature to enact the necessary statutory changes, and to propose to the people the necessary constitutional changes, to enact a budget for a two-year fiscal period .

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Budget ·

Contracting

SB 1431

(Cox) Public contracts: design-build contracting: cities, counties and special districts.

A - 04/18/2006

Status:

05/25/2006 - SEN APPR. SUSPENSE FILE Set, first hearing. Held in committee and under submission. Calendar.

Sum mary

Existing law requires public entities to comply with certain procedures in soliciting and evaluating bids and awarding contracts for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law, until January 1, 2011, permits cities in the Counties of Solano and Yolo, with the approval of the city council, to enter into specified design—build contracts, as defined, in accordance with specified provisions. This bill would instead permit any city, until January 1, 2017, with the approval of the city council, to enter into specified design—build contracts, as defined, in accordance with specified provisions, and requires that contracts costing more than \$ 2,500,000 be awarded by those cities to the lowest responsible bidder or by best value, as defined, and would require the Legislative Analyst's Office to report to the Legislature regarding the effectiveness of the design—build program. This bill contains other related provisions and other existing laws

C/CAG

Contracting

Contracting

Eminent Domain

SB 1210

(Torlakson) Eminent domain.

A - 05/26/2006

Status: 05/31/20

05/31/2006 - ASM DESK In Assembly. Read first time. Held at Desk.

Calendar.

Sum mary

Existing law governing settlement offers in eminent domain proceedings authorizes the recovery of litigation expenses under certain circumstances. Existing law provides that if a court finds, on motion of the defendant, that the offer of the plaintiff was unreasonable and the offer of the defendant was reasonable in light of the evidence admitted and the compensation awarded in the proceeding, then the costs allowed shall include the defendant's litigation expenses. This bill would define litigation expenses to mean the party's reasonable attorney's fees and costs, including reasonable expert witness and appraiser fees. This bill contains other related provisions and other existing laws.

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Eminent Domain

SCA 12

(Torlakson) Education funding: before and after school programs.

A - 03/08/2006

Status: 04/05/2006 - SEN ED. Re-referred to Coms. on ED. and E., R. & C.A.

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C/CAG Priority 1 Bills

Bills to take a position on

Cale ndar.

Sum mary

The California Constitution requires that, commencing with the 1990-91 fiscal year, a minimum amount of moneys from all state revenues be applied by the state for the support of school districts and community college districts according to a specified formula . Existing provisions of the California Constitution authorize the Legislature to suspend the obligation to appropriate that minimum education funding amount for one fiscal year and identify the amount of the shortfall as a maintenance factor . The California Constitution requires an amount to be allocated during specified fiscal years as repayment of the maintenance factor . This measure would authorize that continuous appropriation of funds for the After School Education and Safety Program to commence the first fiscal year after the fiscal year in which specified conditions have been met, including (1) a sufficient appropriation of funds from the General Fund for the fiscal year to provide both the minimum amount of funding to school districts and community college districts required by the California Constitution and the total amount of the outstanding balance of a maintenance factor, (2) prior to July 1 of the fiscal year, the appropriation of General Fund moneys to school districts and community college districts in each fiscal year, up to and including the sufficient to provide the minimum amount of funding to school districts and community college districts required by the California Constitution, and (3) the certification by the Department of Finance, in consultation with the Legislative Analyst's Office, that (A) the fiscal year will end with a projected balance in the Budget Stabilization Account of at least 3% of the estimated General Fund revenues for the fiscal year, and (B) annual baseline General Fund revenues are estimated to exceed annual baseline General Fund expenditures in the succeeding years. The measure would require the Legislature to define by statute baseline General Fund revenue's and expenditures, as specified. This bill contains other related provisions and other existing laws C/CAG **Eminent**

Environment

Domain

(Hancock) School facilities: energy efficiency: design standards.

A - 07/11/2005

AB 315 Status:

08/30/2005 - SEN THIRD READING Read second time. To third reading.

Calendar.

06/01/06 56 SEN THIRD READING FILE

Sum mary

Existing law, the Leroy F. Greene School Facilities Act of 1998 (the Greene Act of 1998), establishes a program in which the State Allocation Board is required to provide state per -pupil funding, including hardship funding, for new school facilities construction and school facilities modernization for applicant school districts. This bill would require the State Allocation Board, by July 1, 2007, to adopt regulations to ensure that design standards for new school facilities constructed in whole or in part with state funds are in accordance with, among other requirements, the minimum design and construction criteria, as defined, in the specified Collaborative for High Performance Schools Best Practices Manual. The bill would also require the board to review other high performance building organizations' standards and any guidelines adopted pursuant to a specified executive order, and to adopt the standards that it deems appropriate. This bill contains other related provisions and other existing laws.

C/CAG

1 Environment

Housing

AB 2503 (Mullin) Affordable housing.

A - 04/17/2006

Status:

05/25/2006 - ASM APPR. SUSPENSE FILE In committee: Set, second hearing. Held under submission.

Calendar.

Sum mary

Page 2 of 17

C/CAG Priority 1 Bills

Bills to take a position on

Existing law requires that a redevelopment agency allocate at least 20% of tax -increment revenues for housing available at affordable housing cost. This bill would authorize cities, counties, and cities and counties to enter into a joint powers agreement to form an affordable housing pooling arrangement for the acquisition, construction, or development of housing that is affordable to lower income families, as defined, within the jurisdiction of the joint powers agency, created by the agreement. The bill would specify how the public agencies may contribute funds to a housing trust fund of the joint powers agency and how the funds may be used. The bill would similarly authorize a local government to include in its housing element a program that establishes a housing trust fund for the same purposes and subject to similar conditions. This bill contains other existing laws.

C/CAG

Support with 1

Housina

amendments

SB 832

(Perata) CEQA: infill development.

A - 05/04/2005

Status:

03/02/2006 - ASM INACTIVE FILE Placed on inactive file on request of Assembly Member Cohn.

Calendar.

Sum mary

The existing California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. Existing law exempts from CEQA a residential project located on an infill site within an urbanized area that meets specified criteria, including that the site of the project is not more than 4 acres in total area and the project does not contain more than 100 residential units. This bill would provide an alternative to those criteria if the site is located in a city with a population of more than 200,000 persons, the site is not more than 10 acres, and the project does not have less than 200 or more than 300 residential units, as adopted by a resolution of the city council.

C/CAG

1

Housing

SB 843 (Dunn) General plans: housing elements.

A - 09/07/2005

Status:

01/31/2006 - SEN DEAD Returned to Secretary of Senate pursuant to Joint Rule 56.

Calendar.

Sum mary

Existing law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element, and to submit a draft housing element or draft amendment to its housing element to the Department of Housing and Community Development for a determination of whether the draft complies with state law governing housing elements. This bill would require a court, on a finding by the department that there is not substantial compliance with that law, to levy a fine and award attorney fees as specified. The bill would require the Controller to levy a fine of \$5,000 per month or \$0.25 per month per person in the jurisdiction, whichever is greater and subject to specified limits, upon a city, county, or city and county if specified conditions are met. The bill would provide that all fines shall accrue to the Housing Supply Account, which the bill would create in the Housing Rehabilitation Loan Fund, and that no money in that account shall be expended except upon appropriation by the Legislature.

C/CAG

Oppose

1

Housing

SB 1330 (Dunn) Housing developments: attorney's fees.

Status:

05/30/2006 - SEN THIRD READING Read second time. To third reading.

Calendar.

06/01/06 47 SEN THIRD READING FILE

Sum mary

A - 05/26/2006

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C/CAG Priority 1 Bills

Bills to take a position on

The Planning and Zoning Law requires local agencies to make specified written findings based upon substantial evidence in the record before disapproving or conditionally approving a housing development project that renders it infeasible for the use of very low, low -, or moderate income households, including farmworker housing. This law authorizes an applicant for a housing development project and a person who would be eligible to apply for residence in the development to bring an action for a violation of this provision. This bill would revise the attorney's fees and costs provisions in all 3 of the above provisions by requiring the court to award reasonable attorney's fees and costs, except under extraordinary circumstances in which the court finds that awarding fees would not further the purposes of these provisions, in addition to any attorney fees to which the plaintiff is entitled under a specified provision of the Code of Civil Procedure. The bill would delete the January 1, 2007, repeal date for the provisions referenced in paragraph (2) above. This bill contains other existing laws.

C/CAG

1

Housing

SB 1800 (Ducheny) General plans: housing.

A - 05/23/2006

Status:

05/23/2006 - SEN T. & H. From committee with author's amendments. Read second time. Amended. Re-referred to committee. Calendar.

Sum mary

Existing law requires each planning agency to prepare, and the legislative body of each county and city to adopt, a comprehensive, long -term general plan for the physical development of the county or city . The general plan consists of various elements, including a housing element . The housing element consists, in part, of an identification and analysis of existing and projected housing needs in the community and the community's share of regional housing needs, and is to be periodically revised . This bill would require the legislative body of a local agency, as defined, to adopt the general plan, would define the term "long-term," with respect to the general plan, and would require the local government at the same time it revises its housing element to adopt a housing opportunity plan, as described, as a part of the housing element, thereby imposing a state -mandated local program. The bill would create in the State Treasury the Housing Planning Fund, which would be continuously appropriated to the Department of Housing and Community Development for specified purposes relating to housing opportunity plans. The fund would be funded by an unspecified fee imposed upon each application for a building permit for new residential construction collected by cities and counties and paid into the fund . The bill would revise procedures for the adoption of local and regional housing needs, and would make related and conforming changes This bill contains other related provisions and other existing laws

C/CAG

1

Hou sing

Land Use Authority

AB 1162 (Mullin) Eminent domain.

A - 09/02/2005

Status:

09/06/2005 - SEN RLS. Re-referred to Com. on RLS.

Calendar.

Sum mary

Existing law authorizes public entities to seize private property under the power of eminent domain . This bill would prohibit, until January 1, 2008, a community redevelopment agency, or community development commission or joint powers agency, as specified, from exercising the power of eminent domain to acquire owner -occupied residential real property if ownership of the property will be transferred to a private party or private entity . This bill contains other related provisions .

C/CAG

1

Land Use Authority CSAC-support

ACA 15 (Mullin) Eminent domain: redevelopment.

A - 08/23/2005

Status:

08/24/2005 - ASM G.O. Re-referred to Com. on G.O.

Calendar.

Page 4 of 17

C/CAG Priority 1 Bills

Bills to take a position on

Sum mary

redevelopment . This measure would set forth a constitutional provision prohibiting a redevelopment agency from acquiring property through the exercise of the power of eminent domain unless it first makes a written finding that the property contains conditions of both physical and economic blight . This bill contains other existing laws . C/CAG 1 Land Use Authority

SB 53 (Kehoe) Redevelopment.

A - 08/15/2005

Status:

08/15/2005 - ASM L. GOV. From committee with author's amendments. Read second time. Amended. Re-referred to committee.

06/28/06 1:30 p.m. - Room 447 ASM LOCAL GOVERNMENT

Sum mary

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities in order to address the effects of blight, as defined, in those communities and requires those agencies to prepare, or cause to be prepared, and approve a redevelopment plan for each project area. Existing law requires that a redevelopment plan contain certain provisions and authorizes a plan to provide for the agency to acquire by gift, purchase, lease, or condemnation all or part of the real property in the project area. This bill would require redevelopment plans to contain a description of the agency's program to acquire real property by eminent domain, including prohibitions, if any, on the use of eminent domain, and a time limit for the commencement of eminent domain proceedings. This bill contains other related provisions and other existing laws.

C/CAG

Land Use Authority

SB 1059 (Escutia) Electric transmission corridors.

A - 05/16/2006

Status:

05/16/2006 - ASM U. & C. From committee with author's amendments. Read second time. Amended. Re-referred to committee. Calendar.

Sum mary

Existing law requires the State Energy Resources Conservation and Development Commission to adopt a strategic plan for the state's electric transmission grid using existing resources. Existing law requires that the plan identify and recommend actions required to implement investments needed to ensure reliability, relieve congestion, and to meet future growth in load and generation, including, but not limited to, renewable resources, energy efficiency, and other demand reduction measures. This bill would authorize the commission to designate a transmission corridor zone on its own motion or by application of a person who plans to construct a high -voltage electric transmission line within the state. The bill would provide that the designation of a transmission corridor shall serve to identify a feasible corridor in which can be built a future transmission line that is consistent with the state's needs and objectives as set forth in the strategic plan adopted by the commission. The bill would prescribe procedures for the designation of a transmission corridor, including publication of the request for designation and request for comments, coordination with federal agencies and California Native American tribal governments, informational hearings, and requirements for a proposed decision. This bill contains other related provisions and other existing laws.

C/CAG

Oppose unless 1 amended

Land Use Authority

Local Govt Finance

AB 1831 (Jones) California Critical Infrastructure Facilities Bond Acts of 2006 and 2010.

I - 01/10/2006

Status:

01/11/2006 - ASM PRINT From printer. May be heard in committee February 10.

Calendar.

Sum mary

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C/CAG Priority 1 Bills

Bills to take a position on

Existing law establishes the California Infrastructure and Economic Development Bank to provide financial assistance for public and private development projects. This bill would enact the California Critical Infrastructure Facilities Bond Act of 2006, which, if adopted, would authorize, for purposes of financing the acquisition, construction, or renovation of state trial court facilities, state park system capital assets, mental health hospitals, and certain other state facilities, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$ 1,227,000,000. The bill would provide for submission of the bond act to the voters at an unspecified election. This bill contains other related provisions

C/CAG

1

Local Govt Finance

ACR 79 (Aghazarian) Fee Payers Bill of Rights.

1-07/13/2005

Status:

08/25/2005 - ASM APPR. SUSPENSE FILE In committee: Held under submission. In committee: Referred to APPR. suspense file. Calendar:

Sum mary

This measure would state that a bill that would impose, increase, or extend the duration of an existing fee, or authorize the imposition of a new fee should, among other things, be approved by a 2/3 vote of the entire membership of each of the 2 houses of the Legislature.

C/CAG

Local Gov

SB 1163 (Ackerman) California Critical Infrastructure Facilities Bond Acts of 2006 and 2010.

1-01/10/2006

Status:

01/31/2006 - SEN JUD. Set, first hearing. Testimony taken.

Calendar.

Sum mary

Existing law establishes the California Infrastructure and Economic Development Bank to provide financial assistance for public and private development projects. This bill would enact the California Critical Infrastructure Facilities Bond Act of 2006, which, if adopted, would authorize, for purposes of financing the acquisition, construction, or renovation of state trial court facilities, state park system capital assets, mental health hospitals, and certain other state facilities, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$1,227,000,000. The bill would provide for submission of the bond act to the voters at an unspecified election. This bill contains other related provisions.

C/CAG

Local Govt

Finance

Other Local Govt Interest

AB 707

(Hancock) Voting by mail: June 6, 2006, primary election.

A - 02/14/2006

Status:

02/16/2006 - SEN E.,R. & C. A. Re-referred to Com. on E., R. & C.A.

Calendar.

Sum mary

Existing law authorizes a local, special, or consolidated election to be conducted wholly by mail if the governing body of the local agency authorizes the use of all mailed ballots for the election, the election is held on an established mailed ballot election date, and the election meets certain other specified requirements. This bill would, until January 1, 2007, authorize any county in this state to conduct the June 6, 2006, direct primary election wholly by mailed ballots if specified conditions are met. This bill contains other related provisions and other existing laws

C/CAG

Support

Other Local Govt Interest

Page 6 of 17

C/CAG Priority 1 Bills

Bills to take a position on

Redevelopment

SB 1206

(Kehoe) Redevelopment.

A - 05/09/2006

Status:

05/31/2006 - ASM DESKIn Assembly. Read first time. Held at Desk. Calendar.

Sum mary

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities in order to address the effects of blight in those communities and defines a blighted area as one that is predominantly urbanized and characterized by specified conditions . This bill would revise the definition of "predominantly urbanized' and revise the conditions that characterize a blighted area . The bill would prohibit the inclusion of nonblighted parcels in a redevelopment project area for the purpose of obtaining property tax revenue from the area without substantial justification for their inclusion . This bill contains other related provisions and other existing laws.

C/CAG

Redevelopment

Sales Tax

AB 1282 (Mullin) Income taxes: credits: child care. A - 01/23/2006

Status:

05/10/2006 - SEN REV. & TAX In committee: Hearing for testimony only. In committee: Further hearing to be set. Calendar.

Sum mark

The existing Personal Income Tax and Corporation Tax Law provide tax credits for startup expenses for child care programs or constructing a child care facility, costs for child care information and referral services, and costs paid or incurred for contributions to a qualified care plan . Under existing law these credits are only available for certain taxable years beginning before January 1, 2007. This bill would extend the credits to taxable years beginning before January 1, 2012. This bill would also require the Franchise Tax Board to report to the Legislature on the effectiveness of these credits, as specified . This bill contains other related provisions . C/CAG

Smart Growth

AB 1020 (Hancock) Transportation planning: improved travel models. A - 01/23/2006

Status:

02/02/2006 - SEN T. & H. Referred to Com. on T. & H.

Calendar.

Sum mary

Existing law requires certain transportation planning activities by the Department of Transportation and by designated regional agencies. This bill would require the department, in partnership with certain federally designated metropolitan planning organizations and certain state -designated regional transportation planning agencies, to provide a notice to the Legislature by January 31, 2007, on a schedule for a comprehensive review and evaluation of current travel models and model improvements already underway . The bill would require these planning organizations and agencies using travel models to use models that incorporate specified factors, thereby imposing a state -mandated local program. The bill would identify other objectives that may be included in the travel models. The bill would enact other related provisions . This bill contains other related provisions and other existing laws. 1

C/CAG

Smart Growth

C/CAG Priority 1 Bills

Bills to take a position on

SB 521

(Torlakson) Recording fees: Contra Costa County.

A - 03/22/2006

Status:

04/25/2006 - ASM H. & C.D. Set, first hearing. Hearing canceled at the request of author.

Calendar.

06/14/06 9 a.m. - Room 126 ASM HOUSING AND COMMUNITY DEVELOPMENT

Sum mary

Existing law establishes the fees to be charged by the county recorder for recording and indexing every instrument, paper, or notice required or permitted by law to be recorded . Existing law, including provisions of the California Constitution, subject local governmental agencies to various requirements in imposing, increasing, or extending general or special taxes, fees, and other local exactions . This bill would authorize the Contra Costa County Board of Supervisors to additionally charge \$ 1 for each page after the first page that is recorded for every real estate instrument, paper, or notice required or permitted by law to be recorded in Contra Costa County . The bill would require the Contra Costa County Board of Supervisors to establish a fund for deposit of the moneys raised by the increase, which shall be used to assist in the development of affordable housing for very low income households, lower income households, and moderate income households . This bill contains other related provisions .

C/CAG

Support with

Smart Growth

amendments

Solid Waste & Recycling

SB 369

(Simitian) Solid waste: tire recycling.

Status:

02/16/2006 - ASM NAT. RES. To Com. on NAT. RES.

Calendar.

Sum mary

Existing law authorizes the California Integrated Waste Management Board to implement a program to award grants to cities, counties, districts, and other local governmental agencies for the funding of public works projects that use rubberized asphalt concrete. The grants are funded by an appropriation in the annual Budget Act from the California Tire Recycling Management Fund. Existing law becomes inoperative on June 30, 2006, and is repealed on January 1, 2007. This bill would recommence the grant program on January 1, 2007 and would make the program inoperative on June 30, 2010. The bill would extend the repeal date to January 1, 2011. This bill contains other related provisions and other existing laws.

C/CAG

Support

1

Solid Waste & Recyclina

Stormwater (NPDES)

AB 1839

(Laird) Water: Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing

I - 01/10/2006

A - 01/19/2006

Status:

Acts of 2006 and 2010.

01/11/2006 - ASM PRINT From printer. May be heard in committee February 10.

Calendar.

Sum mary

Under existing law, various measures have been approved by the voters to provide funds for water projects, facilities, and programs. This bill would enact the Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Acts of 2006 and 2010. The Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Act of 2006 would, if approved by the voters, authorize the issuance and sale of bonds in the amount of \$3,000,000,000 for the purposes of financing specified flood protection and water management programs, as scheduled. The Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Act of 2010 would, if approved by the voters, authorize the issuance and sale of bonds in the amount of \$6,000,000,000 for the purposes of financing specified flood protection and water management programs, as scheduled. This bill contains other related provisions and other existing laws.

C/CAG

Stormwater (NPDES)

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C/CAG Priority 1 Bills

Bills to take a position on

ACA 13 (Harman) Local government: assessments and fees or charges.

A - 04/21/2005

Status:

05/04/2005 - ASM L. GOV. In committee: Set, first hearing. Hearing canceled at the request of author. Calendar.

Sum mary

(1) The California Constitution conditions the imposition or increase of an assessment by a city, county, or special district for flood control purposes upon compliance with requirements for written notice to property owners, a public hearing, and an opportunity for majority protest. The California Constitution exempts the imposition of a flood control assessment existing on November 6, 1996, from these requirements. This measure would instead exempt from these requirements an assessment for the purposes of financing the capital costs or maintenance and operation expenses of flood control, whether the assessment existed on November 6, 1996, or is imposed after that date. This bill contains other related provisions and other existing laws

C/CAG

Support with 1 amendments

Stormwater (NPDES)

SB 1166 (

(Aanestad) Water: Flood Protection and Clean, Safe, Reliable Water Supply Bond and

i - 01/10/2006

Status: Financing Acts of 2006 and 2010. 01/19/2006 - SEN N.R. & W. To Com. on N.R. & W.

Calendar:

Sum mary

Under existing law, various measures have been approved by the voters to provide funds for water projects, facilities, and programs. This bill would enact the Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Act of 2006 and 2010. The Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Act of 2006 would, if approved by the voters, authorize the issuance and sale of bonds in the amount of \$3,000,000,000 for the purposes of financing specified flood protection and water management programs, as scheduled. The Flood Protection and Clean, Safe, Reliable Water Supply Bond and Financing Act of 2010 would, if approved by the voters, authorize the issuance and sale of bonds in the amount of \$6,000,000,000 for the purposes of financing specified flood protection and water management programs, as scheduled . This bill contains other related provisions and other existing laws .

C/CAG

Stormwater (NPDES)

Telecommunications

AB 1547 (Levine) Telecommunications: communications companies: state policies.

A - 07/12/2005

Status:

08/25/2005 - SEN INACTIVE FILE To inactive file - Senate Rule 29.

Calendar.

Sum mary

Existing law, the Public Utilities Act, sets forth the findings and declarations of the Legislature regarding described policies for telecommunications in California . This bill would state the intent of the Legislature to establish rules for the provision of communications services that encourage fair competition .

C/CAG

1

Tele communica

tions

AB 2987 (Nunez) Cable and video service.

A - 05/31/2006

Status:

05/31/2006-SEN SENATE Read third time, amended, and returned to third read to the sembly Rule 69(d) suspended Read third time, passed, and to Senate Calendar.

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C/CAG Priority 1 Bills

Bills to take a position on

Sum mary

Existing law provides that any city, county, or city and county may authorize by franchise or license the construction and operation of a community antenna television system and prescribe rules and regulations to protect the subscribers. Existing law provides that cable and video service providers comply with specified customer service standards and performance standards . This bill would establish a procedure for the issuance of state franchises for the provision of video service, which would be defined to include cable service and open systems, that would be administered by the Department of Consumer Affairs . The department would be the sole . The bill would require any person who seeks to franchising authority for state franchises to provide video services provide video service in this state to file an application with the department for a state franchise cities and counties would receive state franchise fees for video services provided within their jurisdictions, based on gross revenues, pursuant to specified procedures . The bill would also authorize local entities to establish a fee to support the capital costs of public, educational, and governmental access channel facilities, in the amount of either 1% of gross revenues or a preexisting fee, which ever is lower . The bill would require these local agencies to permit the installation of networks by holders of state franchises and would predude enforcement of standards by the local agencies. The bill would prescribe the extent of the obligation of state franchise holders to provide public, educational, and government channels . The bill would prescribe certain customer service and protection standards and penalties for material breaches of those standards . The bill would require any state franchise holder employing more than 750 employees to make an annual report of specified information to the department

C/CAG

Oppose

1

Tele communica

ions

SB 850 (Escutia) Broadband telecommunications service.

A - 03/09/2006

Status:

03/09/2006 - ASM U. & C. From committee with author's amendments. Read second time. Amended. Re-referred to committee. Calendar.

Sum mary

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations. Existing law imposes various duties on the commission with regard to the provision of universal telephone and telecommunications service. This bill would make Legislative findings and declarations relating to telecommunication services, and would state the intent of the Legislature to enact legislation relating to encouraging fair competition in the provision of video service, encouraging the widespread build -out of state-of-the-art video service, providing for a state -issued franchise as an alternative to obtaining a local franchise, and permitting existing cable operators to transition to a new state -issued franchise, as provided. The bill would also state the Legislature's intent that legislation enacted to achieve those purposes not alter local governmental control of the local right of way with regard to the construction of telephone lines, as provided

C/CAG

Tele communica

SB 909 (Escutia) Broadband access.

A - 01/04/2006

Status:

01/09/2006 - ASM INACTIVE FILE Placed on inactive file on request of Assembly Member Frommer. Calendar.

Sum mary

Existing law provides for various programs for the development of telecommunications services in the state. This bill would, until January 1, 2010, establish the California Broadband Access Council in state government, with a specified membership, and require the council to develop a broadband access strategy to promote the ubiquitous use of high -speed Internet communications and computing technology by all Californians consistent with specified principles. This bill contains other related provisions

C/CAG

Tele communica tions

Page 10 of 17

A - 05/09/2006

ACTION REPORT WITH SUMMARY BY SUBJECT

C/CAG Priority 1 Bills

Bills to take a position on

SB 1627

(Kehoe) Wireless telecommunication facilities.

Status:

05/18/2006 - ASM DESK In Assembly. Read first time. Held at Desk.

Calendar.

Sum mary

The Planning and Zoning Law authorizes the legislative body of any county or city to adopt ordinances that, among other things, regulate the use of buildings, structures, and land as between industry, business, residences, and open space. This bill would require a city, including a charter city, or county to administratively approve an application to collocate a wireless telecommunications facility, as defined, through the issuance of a building permit or a nondiscretionary permit, as specified . This bill contains other related provisions and other existing laws.

C/CAG

1

Tele communica tions

Transportation - Other

AB 2538 (Wolk) Transportation funds: planning and programming regional agencies.

A - 05/26/2006

Status:

05/31/2006 - SEN SENATE Read third time, passed, and to Senate.

Calendar.

Sum mark

Existing law generally provides for programming and allocation of funds for transportation capital improvement projects through the state transportation improvement program process administered by the California Transportation Commission. Existing law requires 25% of available funds to be programmed and expended on interregional improvement projects nominated by the Department of Transportation, and 75% of available funds to be programmed and expended on regional improvement projects nominated by regional transportation planning agencies or county transportation commissions, as applicable, through adoption of a regional transportation improvement program. Existing law authorizes a transportation planning agency or county transportation commission to request and receive up to 1% of regional improvement fund expenditures for the purposes of project planning, programming, and monitoring, but authorizes an amount up to 5% of those expenditures for a transportation planning agency or county transportation commission not receiving federal metropolitan planning funds. This bill would instead authorize each transportation planning agency or county transportation commission to request and receive up to 5% of those funds for the purposes of project planning, programming, and monitoring The bill would change the references to "regional improvement funds" to instead refer to "county share." The bill would make other conforming changes.

C/CAG

Support

1

Trans portation-Other

Transportation - Roads

AB 1714 (Plescia) Toll Bridge Seismic Retrofit Program.

Status:

04/18/2006 - ASM PUB. S. Re-referred to Com. on PUB. S.

Calendar.

Sum mary

Existing law estimates the cost to seismically retrofit the state —owned toll bridges and to replace the east span of the San Francisco -Oakland Bay Bridge at \$ 4,637,000,000, including \$2,600,000,000 for the east span replacement. Existing law identifies funding to be made available for this purpose from various funding sources, including a \$1 per vehicle toll surcharge on Bay Area state—owned toll bridges and Proposition 192 seismic repair bond funds, among other sources—. This bill would state the intent of the Legislature to develop a funding solution for the Toll Bridge Seismic Retrofit Program—.

A - 05/03/2005

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C/CAG Priority 1 Bills

Bills to take a position on

C/CAG

Transportation-Roads

SB 172

(Torlakson) Bay area state-owned toll bridges: financing.

A = 05/27/2005

Status:

06/13/2005 - ASM TRANS. To Com. on TRANS.

Calendar.

Sum mary

Existing law specifies the powers and duties of the Department of Transportation, the Metropolitan Transportation Commission, and the Bay Area Toll Authority with respect to the collection and expenditure of toll revenue from the state-owned toll bridges within the geographic jurisdiction of the commission . Under existing law, this toll revenue, other than revenue from the \$ 1 seismic surcharge, is deposited into the Bay Area Toll Account and controlled by the authority . Existing law requires the department and the authority to enter into a cooperative agreement that makes the department responsible for operating the bridges and for constructing improvements to the bridges financed by toll revenues . Existing law estimates the cost to seismically retrofit the state -owned bay area toll bridges and identifies funding to be made available for this purpose from various sources, including imposition of a \$1 seismic retrofit surcharge . Under existing law, this surcharge revenue is deposited into the Toll Bridge Seismic Retrofit Account for expenditure by the department until completion of the seismic projects and payment of the bonds issued to finance those projects. This bill would state the Legislature's findings that the amount identified for the seismic retrofit of the state -owned toll bridges is insufficient and would state its intent to identify additional funding sources for those projects . The bill would require the seismic retrofit surcharge to be paid to the authority and deposited into the Bay Area Toll Account, and would require the department to transfer to the authority, for deposit into that account, all revenue from the surcharge . The bill would continuously appropriate all seismic . The bill would authorize on or surcharge revenues in the account to the authority for purposes specified by law after January 1, 2009, the authority to increase the seismic retrofit surcharge by \$ 1. This bill contains other related provisions and other existing laws .

C/CAG

Support

Transportation- MTC Staff-support Roads

(Torlakson) Public contracts: design-build contracting: transportation entities.

A - 01/23/2006

SB 371 Status:

01/31/2006 - ASM DESK In Assembly. Read first time. Held at Desk.

Calendar.

Sum mary

Existing law sets forth requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement . Existing law also authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design -build basis. Existing law, until January 1, 2007, authorizes transit operators to enter into a design -build contract, as defined, according to specified procedures. This bill would declare the intent of the Legislature to enact legislation that would develop an alternative and optional procedure for bidding on highway, bridge, tunnel, or public transit construction projects in the jurisdiction of any county, local transportation authority, as defined, or local or regional transportation entity, as provided, and would authorize the Department of Transportation to develop an alternative bidding procedure for highway, bridge, or tunnel projects on the state highway system

C/CAG

Support

Transportation- MTC-support

Roads

(Perata) Public works and improvements: bond measure. SB 1024

A - 01/26/2006

Status:

01/31/2006 - ASM DESK In Assembly. Read first time, Held at Desk.

Calendar.

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C/CAG Priority 1 Bills

Bills to take a position on

Sum mark

Existing law provides various funding sources for transportation purposes . This bill would enact the Safe Facilities. Improved Mobility, and Clean Air Bond Act of 2006 to authorize an unspecified amount of state general obligation bonds for specified purposes, including the state transportation improvement program, passenger rail improvements, levee improvements, flood control, restoration of Proposition 42 transportation funds, port infrastructure and security projects, trade corridors of significance, transit security projects, grade separation projects, local bridge seismic upgrade projects, state -local partnership transportation projects, emissions reduction projects, environmental enhancement projects, transit -oriented development, and housing, regional growth, and infill development purposes, subject to voter approval . This bill contains other related provisions .

C/CAG

Support

Transportation- MTC

Roads

Staff-support

A - 05/02/2006 SB 1812 (Runner) Department of Transportation: surface transportation project delivery pilot program. Status:

05/25/2006 - SEN APPR. Set, first hearing. Held in committee and under submission.

Calendar.

Sum mary

Existing law gives the Department of Transportation full possession and control of state highways and associated property. Existing federal law requires the United States Secretary of Transportation to carry out a surface transportation project delivery pilot program, as specified . The secretary is authorized to permit up to 5 states, including California, to participate in the program and California has agreed to that participation . This bill would, until January 1, 2009, provide that the State of California consents to the jurisdiction of the state and federal courts with regard to the compliance, discharge, or enforcement of the responsibilities assumed pursuant to the surface transportation project delivery pilot program, and would make related provisions . The bill would require the department to submit a specified report to the Legislature by January 1, 2008, relating to the surface transportation project delivery pilot program .

C/CAG

Support

Transportation-Roads

Transportation-All

AB 1838

(Oropeza) Transportation Bond Acts of 2006, 2008, and 2012: transportation contracting.

I - 01/10/2006

Status:

01/11/2006 - ASM PRINT From printer. May be heard in committee February 10.

Calendar.

Sum mary

Existing law provides various funding sources for transportation purposes, including fuel excise taxes, sales taxes on fuels, and truck weight fees . This bill would enact the Congestion Reduction, Clean Air, and Trade Corridor Bond Act of 2006, the Congestion Reduction, Clean Air, and Trade Corridor Bond Act of 2008, and the Transportation Revenue Bond Act of 2012. The bill would require the Secretary of State to submit the proposed bond measures to the voters at an unspecified election in 2006, and at the November 4, 2008, and November 6, 2012, elections, respectively . This bill contains other related provisions and other existing laws

C/CAG

Trans portation

AB 2444 (Klehs) Congestion management and motor vehicle environmental mitigation fees. A - 05/03/2006

Status:

05/31/2006 - SEN SENATE Read third time, passed, and to Senate.

Calendar.

Sum mary

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C/CAG Priority 1 Bills

Bills to take a position on

Existing law provides for the imposition by air districts and other local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles. This bill would authorize the congestion management agencies in the 9 Bay Area counties, by a 2/3 vote of all of the members of the governing board, to impose an annual fee of up to \$ 5 on motor vehicles registered within those counties for a program for the management of traffic congestion. The bill would require a program with performance measures and a budget to be adopted before the fee may be imposed. The bill would require the agency to have an independent audit performed on the program and to submit a report to the Legislature on the program by July 1, 2011. The bill would require the Department of Motor Vehicles, if requested, to collect the fee and distribute the net revenues, after deduction of specified costs, to the agency. The bill would require that the fees collected may only be used to pay for programs bearing a relationship or benefit to the owners of motor vehicles paying the fee, and would require the agency to make a specified finding of fact in that regard by a 2/3 vote. This bill contains other related provisions.

C/CAG

Neutral

1

Transportation

ΔΙΙ

ACA 4 (Plescia) Transportation Investment Fund.

A - 05/09/2005

Status:

01/10/2006 - ASM APPR. From committee: Be adopted, and re-refer to Com. on APPR. Re-referred. (Ayes 13. Noes 0.) (January 9). Calendar:

Sum mary

Article XIX B of the California Constitution requires, commencing with the 2003-04 fiscal year, that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund for allocation to various transportation purposes. Article XIX B authorizes this transfer to the Transportation Investment Fund to be suspended in whole or in part for a fiscal year during a fiscal emergency pursuant to a proclamation by the Governor and the enactment of a statute by a 2/3 vote in each house of the Legislature if the statute does not contain any unrelated provision. This measure would delete the provision authorizing the Governor and the Legislature to suspend the transfer of revenues from the General Fund to the Transportation Investment Fund for a fiscal year during a fiscal emergency.

C/CAG

Support

1

Transportation

ACA 9 (Bogh) Motor vehicle fuel sales tax revenue.

1-01/24/2005

Status:

01/10/2006 - ASM APPR. From committee: Be adopted, and re-refer to Com. on APPR. Re-referred. (Ayes 13. Noes 0.) (January 9). Calendar:

Sum mary

Existing provisions of the California Constitution require that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund and used for transportation purposes, but allow the transfer of these revenues to be suspended in whole or in part for a fiscal year under specified circumstances by a statute enacted by a 2/3 vote of the membership of each house of the Legislature . This measure would change the vote requirement to 4/5 of the membership of each house of the Legislature in order to enact a statute suspending in whole or in part the transfer of this particular revenue from the General Fund to the Transportation Investment Fund .

C/CAG

Support

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Trans portation

ACA 11 (Oropeza) Transportation funds: loans.

I - 02/16/2005

Status:

01/10/2006 - ASM APPR. From committee: Be adopted, and re-refer to Com. on APPR. Re-referred. (Ayes 13. Noes 0.) (January 9). Calendar.

Sum marv

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C/CAG Priority 1 Bills

Bills to take a position on

Article XIX of the California Constitution requires excise taxes on motor vehicle fuel and certain fees imposed on motor vehicles to be used only for specified transportation and vehicle -related purposes, but authorizes these excise tax revenues to be loaned to the General Fund under certain conditions, including a requirement that the funds be repaid within 3 years. Article XIX A of the California Constitution provides that funds in the Public Transportation Account, which are derived from certain sales taxes on motor vehicle fuels, may be loaned to the General Fund or any other state fund or account under certain conditions, including a requirement that the funds be repaid within 3 years. This measure would require interest to be paid on a loan of revenues subject to either Article XIX or XIX A if the loan is not repaid during the same fiscal year in which it was made . The measure would require a Ioan made pursuant to Article XIX or XIX A to be made pursuant to a statute establishing the terms for repayment and would prohibit the enactment of a statute making a new loan pursuant to Article XIX or XIX A prior to the full repayment of each previous loan under Article XIX or XIX A, respectively . The measure would also prohibit a loan from being authorized by a statute during more than 2 fiscal years within any period of 10 consecutive fiscal years. The measure would also authorize tax revenues subject to Article XIX or XIX A to be loaned to other state funds or accounts in addition to the General Fund . This bill contains other related provisions and other existing laws C/CAG

Support

Transportation

(Alarcon) State highways: design-sequencing contracts. **SB 1161**

Status:

05/31/2006 - ASM DESK In Assembly. Read first time. Held at Desk.

Calendar.

Sum mary

Existing law authorizes the Department of Transportation, until January 1, 2010, to conduct a pilot project to award design-sequencing contracts, as defined, for the design and construction of not more than 12 transportation projects, to be selected by the Director of Transportation . This bill would instead generally authorize the department , until January 1, 2012, to award contracts for projects using the design sequencing contract method, if certain requirements are met . The bill would require the department to continue the use of a peer review committee to assist the department in preparing an annual report to the Legislature describing and evaluating the outcome of the design-sequencing contracts until December 31, 2010.

C/CAG

Trans portation

(Dutton) Transportation Bond Acts of 2006, 2008, and 2012: transportation contracting. **SB 1165**

I - 01/10/2006

A - 05/26/2006

Status:

01/19/2006 - SEN T. & H. To Coms. on T. & H. and E.Q.

Calendar.

Sum mark

Existing law provides various funding sources for transportation purposes, including fuel excise taxes, sales taxes on fuels, and truck weight fees . This bill would enact the Congestion Reduction, Clean Air, and Trade Corridor Bond Act of 2006, the Congestion Reduction, Clean Air, and Trade Corridor Bond Act of 2008, and the Transportation Revenue Bond Act of 2012. The bill would require the Secretary of State to submit the proposed bond measures to the voters at an unspecified election in 2006, and at the November 4, 2008, and November 6, 2012, elections, respectively. This bill contains other related provisions and other existing laws

C/CAG

Transportation ΔII

(Simitian) Congestion management fees. SB 1611

Status:

05/18/2006 - ASM DESK In Assembly. Read first time. Held at Desk.

Calendar.

Sum mary

A - 04/19/2006

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C/CAG Priority 1 Bills

Bills to take a position on

Existing law provides for creation of congestion management agencies in various counties with specified powers and duties relative to management of transportation congestion. Existing law provides for the imposition by air districts and certain other local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles. This bill would authorize a congestion management agency, or where there is no congestion management agency, the board of supervisors, to place a majority vote ballot measure before the voters of a county authorizing the imposition of an annual fee of up to \$ 25 on each motor vehicle registered within the county for transportation projects and programs with a relationship or benefit to the persons paying the fee. The bill would require the ballot measure resolution to be adopted by a majority vote of the governing board of the congestion management agency or the board of supervisors, as appropriate, at a noticed public hearing and would also require the resolution to contain a specified finding of fact. The bill would require the Department of Motor Vehicles, if requested, to collect the fee and distribute the proceeds, after deduction of specified administrative costs, to the agency or the board of supervisors, as appropriate, and would enact other related provisions.

C/CAG

Support

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Trans portation

AII

Vehicle Abatement

AB 2681 (Pavley) Vehicles: registration fees: fines.

Status:

05/31/2006 - SEN SENATE Read third time, passed, and to Senate.

Calendar.

Sum mary

Existing law authorizes a county to establish a service authority for the abatement of abandoned vehicles and impose a \$ 1 vehicle registration fee and an additional \$ 2 fee upon all commercial motor vehicles that are subject to the permanent trailer identification program. These fees are collected by the Department of Motor Vehicles. The net amount of money collected from these fees is required to be deposited in the Abandoned Vehicle Trust Fund, which is continuously appropriated to the Controller for allocation to participating service authorities, as specified. This bill would adjust the amount of these fees to an amount not to exceed \$ 2, and not to exceed \$ 4, respectively, rather than \$ 1 and \$ 2. Because this bill would allow for an increase in revenues in a continuously appropriated fund, this bill would thereby make an appropriation. This bill contains other related provisions and other existing laws.

G 1 Ve hicle Ab at ement

(Chesbro) Service authority: registration and service fees.

A - 03/23/2006

A - 05/26/2006

SB 1225 Status:

Status: 05/15/2006 - ASM TRANS. To Com. on TRANS.

Calendar.

06/12/06 1:30 p.m. - Room 4202 ASM TRANSPORTATION

Sum mary

Existing law authorizes the establishment of a service authority for the abatement of abandoned vehicles and the imposition of a \$ 1 vehicle registration fee in a county if the board of supervisors of that county, by a 2/3 vote, and a majority of the cities having a majority of the incorporated population within the county adopt resolutions providing for the establishment of that a uthority and the imposition of the \$ 1 fee. Existing law imposes an additional \$ 2 service fee on a commercial motor vehicle . This bill would revise the amount of the vehicle registration fee for these purposes from \$ 1 to \$1 or \$2, and would revise the amount of the additional service fee imposed on a commercial motor vehicle from \$ 2 to \$2 or \$4, as established by the service authority . The bill would require the same adoption procedure set forth above for an increase of the fee from \$ 1 to \$2.

C/CAG

Vehicle Abatement

Water

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C/CAG Priority 1 Bills

Bills to take a position on

AB 2659 (Ruskin) Bay area regional water system: capital improvement program.

A - 04/17/2006

Status:

04/25/2006 - ASM W.,P. & W. In committee: Set, first hearing. Hearing canceled at the request of author. Calendar.

Sum mary

Existing law, the Wholesale Regional Water System Security and Reliability Act, requires the City and County of San Francisco (City) to adopt, on or before February 1, 2003, a program of capital improvement projects designed to restore and improve the bay area regional water system, as defined . The act requires the plan to include completion dates for specified projects and requires the city to submit a report to various entities, on or before September 1 of each year, describing the progress made on the implementation of the capital improvement program during the previous fiscal year . The act permits the city to adopt a change in the capital improvement program pursuant to prescribed procedures . This bill would prohibit a state agency from taking any action to delay the implementation of the capital improvement program as that program is required to be undertaken by the act. The bill would authorize a public entity or private person to notify the State Department of Health Services or the Seismic Safety Commission of any delay in violation of the bill's provisions

C/CAG 1 Wat

C/CAG AGENDA REPORT

Date:

June 8, 2006

To:

C/CAG Legislative Committee

From:

Walter Martone

Subject:

REVIEW AND APPROVAL OF POSITIONS ON VARIOUS BILLS

A position may be taken on any legislation, including legislation not previously

identified.

(For further information contact Walter Martone at 599-1465 or Richard Napier at 599-1420)

RECOMMENDATION

That the Legislative Committee consider developing recommendations for positions on specific bills/issues.

- a) SB 1059 Transmission Line Corridors Remove Opposition
- b) Telecommunications Reform
 - i) S 2686 to establish a national franchise system for broadband-video providers -
 - ii) HR 5417 to protect an open Internet Support
 - iii) Senator McCain bill to cut franchise fees Oppose
 - iv) AB 2987 as amended on May 25, 2006 continues to by-pass local franchising requirements - Continue Opposition
 - v) SB 1627 to require administrative approval of wireless facilities Oppose
- c) SB 1225 to increase the Vehicle Registration Fee for the Abandoned Vehicle Abatement (AVA) Program – Jim Granucci, AVA Manager, recommends Support

FISCAL IMPACT

Potential impacts to local government franchise fees and potential increase in funding for the AVA program operated by local jurisdictions.

SOURCE OF FUNDS

Not applicable.

BACKGROUND/DISCUSSION

a) SB 1059 (Escutia): This bill as it was originally written, would have required local governments to amend their general plans to be consistent with transmission corridors designated by the California Energy Commission. C/CAG took an "oppose" position on this bill because it would have removed local land use authority to approve or disapprove of the

locations for transmission lines. The League of California Cities has been working with Senator Escutia to address the concerns of local governments. The bill was amended on May 16, 2006 to remove the mandate on local governments to amend their general plans. Staff recommends that the Legislative Committee encourage C/CAG to follow the League in removing its opposition to the bill, and thank Senator Escutia for addressing the concerns of local governments.

b) Telecommunications Reform

- i) S 2686 (Stevens Arkansas): This bill establishes a national franchise system for broadband-video providers that will shift control of public rights of way to the Federal Communications Commission. Attached is a letter from the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties, and the National Association of Telecommunications Officers that outlines the major concerns with this bill. In summary they include:
 - 1. Federalizing of local video franchising and elimination of the 1% fee for Public, Educational and Government (PEG) access channels.
 - 2. Sends all right-of-way disputes to the Federal Communications Commission and makes local communities liable for the attorney fees if the provider wins the dispute.
 - 3. Reduces revenues to local communities by excluding advertising and other non-subscriber revenues from the 5% franchise fee.
 - 4. Allows a provider to use the public right-of-way, and also to pick and choose which neighborhoods to serve.
 - 5. Does not protect locally imposed taxes that are not imposed in lieu of rights-of-way compensation.

Staff recommends that the Legislative Committee encourage C/CAG to "oppose" this bill.

- ii) HR 5417 (Sensenbrenner Wisconsin): This bill makes it unlawful for a broadband network provider to discriminate in the provision of its services and in connecting with other providers of these services. Staff recommends that the Legislative Committee encourage C/CAG to "support" this bill.
- iii) Anticipated Federal Senate Bill (McCain Arizona): This bill will allow cable operators to obtain a national franchise and pay a reduced fee (3.7% instead of 5%) if the operator agrees to offer programming "a la carte" instead of being bundled into packages of programming that cannot be purchased as separate programs. Staff recommends that the Legislative Committee encourage C/CAG to "oppose" this bill.
- iv) AB 2987 (Nunez) as amended on May 25, 2006: This bill establishes state franchises for the provision of video and cable services that would be administered by the State Department of Consumer Affairs. The League of California Cities has been working with the Author and Coauthors of this bill and have had limited success in addressing the concerns of local governments. A summary of the major outstanding issues is attached. Assemblymembers Mullin, Ruskin, and Yee all supported the bill on the Assembly Floor. Staff recommends

that the Legislative Committee encourage C/CAG to "continue to oppose" this bill

- v) SB 1627 (Kehoe) as amended on May 9, 2006 would require a city or county to administratively approve an application to collocate a wireless telecommunications facility through the issuance of a building permit or a nondiscretionary permit and also prohibits a development project for a wireless telecommunications facility from being subject to a permit to operate. Senators Simitian and Speier voted in support of the bill on the Senate Floor. Staff recommends that the Legislative Committee encourage C/CAG to "oppose" this bill.
- c) SB 1225 (Chesbro): This bill would authorize the C/CAG Board to increase the Vehicle Registration Fee from one to two dollars to support its Abandoned Vehicle Abatement Program. On the Senate Floor, Senator Simitian voted in support of the bill and Senator Speier voted against it. Jim Granucci, C/CAG AVA Manager, recommends support of this bill

ATTACHMENTS

Included with paper copy mailing but not with e-mail version.

- a) Complete copy of SB 1059 as amended on May 16, 2006.
- b) Telecommunications Reform
 - i) S 2686- copy of letter from the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties, and the National Association of Telecommunications Officers
 - ii) HR 5417 Complete copy as introduced on May 18, 2006
 - iii) Senator McCain bill e-mail from Brian Moura describing this proposal.
 - iv) AB 2987 Digest with amendments of May 26, 2006 and analysis of the amendments.
 - v) SB 1627 Complete copy as amended on May 9, 2006 and analysis done by T-Mobile
- c) Complete copy of SB 1225 as amended on March 23, 2006; analysis of the bill; and letter of support from Jim Granucci.